

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

Civil No. 1:25-cv-00225

vs.

2020 BMW M340i bearing Vehicle Identification
Number ending 8B41143 [24-USP-005224],

\$77,674.95 from Bank of America account ending
1022 held in the name of Kareem Hassen and Sally
Abdalla Shada [24-USP-005265], and

\$107,764.76 from JP Morgan Chase Bank checking
account ending 6211 held in the name of Kareem
Hassen and JP Morgan Chase Bank brokerage
Account ending 1571 [24-USP-005254, 24-USP-005255],

Defendant Property.

VERIFIED COMPLAINT FOR FORFEITURE IN REM

NOW COMES Plaintiff, United States of America, by and through its attorneys, Andrew Byerly Birge, Acting United States Attorney for the Western District of Michigan, and Daniel T. McGraw, Assistant United States Attorney, and states upon information and belief that:

NATURE OF THE ACTION

1. This is a civil forfeiture action filed pursuant to 18 U.S.C. § 981(a)(1)(C) and Supplemental Rule G(2) of the Federal Rules of Civil Procedure to forfeit and condemn to the use and benefit of the United States of America a 2020 BMW M340i bearing Vehicle Identification Number ending 8B41143 [24-USP-005224] (“the

BMW”), \$77,674.95 from Bank of America account ending 1022 held in the name of Kareem Hassen and Sally Abdalla Shada [24-USP-005265] (“BOA funds”), and \$107,764.76 from JP Morgan Chase Bank checking account ending 6211 held in the name of Kareem Hassen and JP Morgan Chase Bank brokerage Account ending 1571 [24-USP-005254, 24-USP-005255] (“JPMC funds”) (altogether, the “Defendant Property”).

THE DEFENDANT IN REM

2. The Defendant Property consists of the BMW, BOA funds, and JPMC funds, that were seized on or about September 25, 2024 by the United States Postal Inspection Service (USPIS). The Defendant Property is currently in the custody of USPIS.

JURISDICTION AND VENUE

3. This Court has jurisdiction over this proceeding pursuant to 28 U.S.C. §§ 1345 and 1355(b)(1)(A), because this action is being commenced by the United States of America as Plaintiff, and the acts giving rise to the basis for forfeiture occurred in this judicial district.

4. Venue is proper before this Court pursuant to 28 U.S.C. § 1355(b)(1) because the acts or omissions giving rise to forfeiture occurred in this judicial district, and/or pursuant to 28 U.S.C. § 1395(b), because the Defendant Property was found within this judicial district.

BASIS FOR FORFEITURE

5. As set forth below, the Defendant Property is subject to forfeiture to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) because it constitutes (1) any property, real or personal, which constitutes or is derived from proceeds traceable to wire fraud, in violation of 18 U.S.C. § 1343, and conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1349; and (2) any property, real or personal, which constitutes or is derived from proceeds traceable to the sale of counterfeit postage, in violation of 18 U.S.C. § 501.

FACTS SUPPORTING FORFEITURE

The Counterfeit Postage Scheme

6. In July 2023, U.S. Postal Inspectors in this judicial district received a referral from within the United States Postal Service (USPS) that a large volume of USPS parcels were being mailed from post offices in Holland and Zeeland, Michigan that contained counterfeit USPS ePostage.

7. USPS ePostage is an electronic-payment option created by USPS to accommodate the significant growth of e-commerce. This payment method allows small merchants selling goods through an online marketplace to buy postage through their marketplace account, then print the labels and mail their packages. Once the merchant buys the postage, USPS receives payment for numerous postage purchases through one central retailer account instead of receiving payment from each individual purchaser of postage, thereby streamlining the payment process and reducing costs.

8. In late July 2023, Postal Inspectors interviewed an individual (“the cooperating witness or CW”) who had sent a parcel with counterfeit USPS ePostage. CW stated they purchased the counterfeit postage from Discord on a server called “Blitz Labels” (the “Blitz Labels Discord Server”) using Venmo.

9. Discord is a messaging platform where millions of users from around the world connect with each other through chat, voice, and video. Discord has both a desktop application (PC, Mac, Linux), and a mobile application (iOS, Android). The service can also be accessed directly from the website www.discordapp.com. According to Discord, a “server” is “an invite-only home for your friends or community,” analogous to a “group” or “channel” on other social media applications.

10. CW sent a Postal Inspector an invitation link to join the Blitz Labels Discord Server.

11. In August 2023, the Postal Inspector joined the Blitz Labels Discord Server in an undercover capacity. By reviewing the Blitz Labels Discord Server and its multiple channels, the Postal Inspector determined that Yael Sanchez was the owner, using the moniker “Blitzsznn.”

12. The Blitz Labels Discord Server was created on May 1, 2023, and offered USPS shipping labels for sale at a price that was significantly less than what a USPS customer would pay for the same postage at a post office. For example, the Blitz Labels Discord Server offered a USPS Priority Mail Express label for a parcel weighing over five pound and up to 70 pounds for \$12. It would cost anywhere between \$31.10 to \$107.55 to send the same five-pound parcel, and anywhere between

\$206.65 and \$688.20 to send the same 70-pound parcel at a post office, depending on precise weight and distance.

13. The Postal Inspector saw many messages on the Blitz Labels Discord Server that suggested the participants knew they were purchasing counterfeit postage. For example, on June 8, 2023, Discord user “Vanos” said, “Damn near every tracking reading counterfeit.” And when another user asked, “is it fake labels?” the owner, “Blitzsznn,” responded, “non legit.”

14. The Blitz Labels Discord Server also used a “bot” to handle processing of its orders and payments through Cash App at \$Blitzlabels, Venmo at @Blitzlabels, and Bitcoin. A channel on the server titled “Instructions” stated: “The bot makes a special code that you will need to add in the notes. Putting this code is very important as this is how the bot detects the payment and adds credits to the balance. Please copy-paste to avoid any errors.” When the undercover Postal Inspector purchased credits, the bot provided him with the six-character code “EPIXYM.”

15. Between October 2023 and March 2024, while located in this judicial district, the undercover Postal Inspector conducted five undercover purchases of counterfeit postage through the Blitz Labels Discord Server. Specifically:

- a. On October 20, 2023, the undercover Postal Inspector bought nine shipping labels for \$100 worth of USPS-issued Bitcoin, which was sent to a Bitcoin address provided by the server bot. Each label included the same return address in Grand Rapids, Michigan, and destination address in Scottsdale, Arizona. The postage price was significantly less

than what USPS would normally charge for the same postage. For example, the undercover Postal Inspector paid \$12 for a 17-pound USPS Priority Mail Express parcel that would cost \$151.70 if purchased directly from USPS at a post office.

- b. On November 3, 2023, the undercover Postal Inspector bought a 60-pound USPS Priority Mail parcel shipping label with a return address in Grand Rapids, Michigan, and a destination address in Phoenix, Arizona for \$6. The same postage would cost \$151.60 if purchased directly from USPS at a post office. The Postal Inspector also bought \$50 worth of additional credits through @Blitzlabels via Venmo, and was provided with the code “WHXWJV,” which was included on the payment.
- c. On December 1, 2023, the undercover Postal Inspector bought a 20-pound USPS Priority Mail parcel shipping label with a return address in Grand Rapids, Michigan, and a destination address in Miami, Florida for \$6 (6 credits). The same postage would cost \$53 if purchased from USPS at a post office. The Postal Inspector also bought \$35 worth of additional credits through \$Blitzlabelzz via Cash App, and was provided with the code “GOWOIY,” which was included on the payment.
- d. On December 28, 2023, the undercover Postal Inspector bought a 10-pound USPS Priority Mail Express parcel shipping label with a return address in Grand Rapids, Michigan, and a destination address in Miami, Florida for \$12 (12 credits). The same postage would cost \$112.30 if

purchased from USPS at a post office.

- e. On March 25, 2024, the undercover Postal Inspector purchased 25 credits by sending \$12.50 to @Blitzlabels via Venmo and \$12.50 to \$Blitzlabelzz via Cash App. For each transfer, the bot provided the Postal Inspector with a six-digit code. Following the transfers, 25 credits were added to the undercover account, and the Postal Inspector bought a 5-pound Priority Mail Express parcel shipping label with a return address in Grand Rapids, Michigan, and destination address in Casper, Wyoming, for \$9 (9 credits). The same postage would cost \$76.90 if purchased from USPS at a post office.

16. According to USPS, a mail identifier (MID) is a unique sequence of numbers given to a USPS customer who requests one. The MID is included in the tracking number and barcode of each mail piece that is used to identify the MID accountholder. An MID accountholder is typically a business who uses USPS to mail a high volume of items. A USPS customer uses a MID to track their mailings and obtain detailed scan data regarding their mailings.

17. According to USPS, the nine labels purchased by the undercover Postal Inspector on October 30, 2023 belonged to three different MID accountholders. The MID on each label was used by someone else other than the true MID accountholder without their or USPS permission.

18. An MID accountholder is expected to provide the USPS with a shipping manifest of the items they intend to mail and prepay the postage. During USPS

processing of the mail, USPS will confirm whether the mail is listed on the manifest and that the postage was paid for. If USPS finds the mail is unmanifested (not paid for or has unpaid postage), then USPS will send an invoice to the MID accountholder for the unpaid postage in addition to an extra fee.

19. When USPS determines that an MID is “hijacked” (unauthorized use), USPS sustains all financial loss with the unpaid postage and does not charge the MID accountholder for parcels mailed with a hijacked MID.

20. On April 16, 2024, Postal Inspectors executed a federal search warrant at the residence of the owner of the Blitz Labels Discord Server, Yael Sanchez, in the Northern District of California.

21. During a post-*Miranda* interview, Sanchez admitted that he owned and operated Blitzsznn and the Blitz Labels Discord Server, which sold counterfeit and unauthorized USPS postage. Sanchez stated that he used Venmo and Cash App to receive payments from his customers on the Blitz Labels Discord Server in exchange for counterfeit USPS postage.

22. Sanchez told the Postal Inspector that he used a bot to track gross revenue data from the Blitz Labels Discord Server. The bot produced a report that showed as of April 16, 2024, the Blitz Labels Discord Server had sold 620,490 counterfeit USPS shipping labels and produced \$1,856,126.55 in gross revenue.

The Identification of Kareem Hassen

23. In June 2024, the Postal Inspector joined the Astroship Server in an undercover capacity, and found it was operated like the Blitz Labels Server. It offered

counterfeit USPS shipping labels at rates significantly lower than what is offered by the USPS.

24. The Astroship Server listed Astrolabz (“Astrolabz”) as an owner of the server. Through further investigation, Postal Inspectors identified Astrolabz as Kareem Hassen, as described below.

25. The Postal Inspector recognized Astrolabz as a Discord user who was associated with the Blitz Labelz server. Specifically, Astrolabz was listed as “staff,” on the Blitz Labelz server. The Postal Inspector saw posts on the Blitz Labels server where Astrolabz addressed customer service-related issues related to the sales of counterfeit USPS postage. For example, on October 4, 2023, Astrolabz stated, “When given alternative cashapp by either me or blitz please send screenshot of payment and in the notes please leave it blank!”

26. A user posted a picture in a channel titled “General.” The picture appeared to be a screenshot from an unidentified user on another social media platform. The picture contained text that described new procedures the USPS was enacting on August 1, 2024, to address parcels containing unpaid and unmanifested postage. The new procedures referenced removing any parcels with unpaid or unmanifested postage from the mail stream for disposal. The following text was overlaid on top of the image, “people bout to go out of biz maybe even jail [laughing emoji] #uspsfraudlabels.”

27. In response to the above post and picture, Astrolabz posted, “i needa make announcement lol,” and “we will be transitioning to ups prob.” Meaning,

Astrolabz was contemplating defrauding the United Parcel Service (UPS), a commercial delivery service that might still be vulnerable to a counterfeit scheme.

28. In the “Announcements,” channel, a post was made addressing the issue described above. The Astroship Server stated, “So we had heard about USPS updating some payment verification a couple weeks backs and we waited to see how this would progress! Looks like these changes will start on July 1st and by August 1st they should 100% implemented their new system. We wanted to forward this info to you to protect you and your business instead of letting it ride out and causing you losses when it could be prevented. In order to stop CF and unpaid postage USPS will be validating payment on all labels. Packages that do not have the verification scan when arriving to regional office will be disposed/seized, no more RTS [return to sender] / postage due. They want CF/UNPAID postage numbers at 0!”

29. According to records from Discord, a specific IP address was associated with Astrolabz’s account on February 17, 2024. That IP address was owned by Frontier Communications and subscribed in the name of Khaled Hassen at 1620 Cordova Ave Redlands, California, 92373 (“Hassen’s residence”).

30. According to records from Discord, investigators identified Kareem Hassen’s Cash App account as \$krispylabels. According to records from Cash App, \$krispylabels was created in or around April 2021 with an initial username of \$kareemhassen18. Hassen’s Cash App account’s display name at one point was Hassen’s name and an associated email address of krispylabels@gmail.com, which is the the same email linked to Astrolabz Discord account.

31. According to the transaction history for Hassen's Cash App account, it received a high volume of credits, like Sanchez's Cash App accounts used for the Blitz Labels Server. The credits included unique six-digit codes from different Cash App users.

32. From March 20, 2023 to November 20, 2023, Hassen's Cash App account received 4,031 credits totaling \$131,979.90, from various users. Each credit contained a note with a unique six-digit code or a note indicating payment was for purchasing counterfeit USPS labels, such as "label."

The Bank of America Account ("the BOA funds" / "the BOA account")

33. According to Hassen's Cash App account, between March 20, 2023 and September 27, 2023, \$73,464.81 of the \$131,979.90 was withdrawn and deposited into the Bank of America checking account ending 1022 held in the name of Kareem Hassen and Sally Abdalla Shada ("the BOA account").

34. The BOA account was opened on May 18, 2021, when Kareem Hassen was under the age of 18 years old. Hassen's residence is the address of record for the BOA account.

35. Between March 20, 2023 and November 3, 2023, the BOA account received 335 deposits from Hassen's Cash App account totaling \$113,304.38.

36. Hassen used the BOA account to receive the illegal proceeds from participating in a scheme to sell counterfeit and unauthorized USPS postage on Discord. The BOA account records show that the account was primarily funded with deposits from peer-to-peer payment products such as Cash App, Zell, and Venmo.

Hassen Purchased the BMW with Fraud / Counterfeit Postage Proceeds

37. According to records from the BOA account, on October 10, 2023, \$25,715.25 was withdrawn from the BOA account by Foreign Auto Sales in Redlands, California.

38. According to records from the California Department of Motor Vehicles, on October 10, 2023, the BMW was registered to Kareem Hassen and Khaled Hassen.

39. Records from the BOA account do not show any deposits from legitimate sources, and only deposits related to the Astroship Server at the time Hassen purchased the BMW.

40. On September 18, 2024, this Court issued a seizure warrant for the BOA funds and the BMW, Case No. 1:24-mj-400-RSK, which was executed on or about September 25, 2024.

41. On September 25, 2024, Postal Inspectors interviewed Hassen in his dormitory room on the campus of the University of California at Davis in the Eastern District of California. Hassen stated that he owned and operated the Astroship Server until he closed it in or around July 2024, and that he used accounts with Venmo, Cash App, and Bank of America to receive payments from the sale of counterfeit postage on the Astroship Server.

The JP Morgan Chase Accounts (“the JPMC funds” / “the JPMC accounts”)

42. During the interview with Postal Inspectors on September 25, 2024, Hassen stated that he opened accounts with JP Morgan Chase Bank to invest some of his illicit proceeds from operating the Astroship Server. Specifically, Hassen stated

he opened JP Morgan Chase Bank checking account ending 6211 and brokerage account ending 1571 (“the JPMC accounts”) in or around August 2024.

43. Hassen showed Postal Inspectors his bank account information for the JPMC accounts on his cell phone. The balance for the checking account ending 6211 was \$7,012.71, and the balance for the brokerage account ending 1571 was \$100,847.65. Hassen stated that the funds in the JPMC accounts came from the sale of counterfeit USPS postage on the Astroship Server (“the JPMC funds”).

44. On September 25, 2024, this Court issued a seizure warrant for the JPMC funds, Case No. 1:24-mj-407-SJB, which was executed later the same day.

45. Upon information and belief, the Defendant Property constitutes any property, real or personal, which constitutes or is derived from proceeds traceable to wire fraud, in violation of 18 U.S.C. § 1343, and conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1349, and any property, real or personal, which constitutes or is derived from proceeds traceable to the sale of counterfeit postage, in violation of 18 U.S.C. § 501.

CLAIM I

46. Plaintiff hereby re-alleges paragraphs 1 – 45, as referenced above.

47. The Defendant Property is forfeitable to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) because it constitutes any property, real or personal, which constitutes or is derived from proceeds traceable to wire fraud, in violation of 18 U.S.C. § 1343, and conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1349.

CLAIM II

48. Plaintiff hereby re-alleges paragraphs 1 – 45, as referenced above.

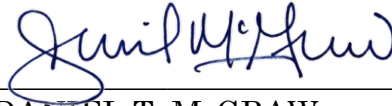
49. The Defendant Currency is forfeitable to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) because it constitutes any property, real or personal, which constitutes or is derived from proceeds traceable to the sale of counterfeit postage, in violation of 18 U.S.C. § 501.

REQUESTED RELIEF

Wherefore, the United States requests that the Court issue a warrant for the arrest of the Defendant Property; that due notice be given to all interested parties to appear and show cause why forfeiture to the United States of America should not be decreed; and that the Defendant Property be condemned and forfeited to the United States of America and be delivered into the custody of the United States Postal Inspection Service or the United States Marshals Service for disposition according to law; and for such other relief as this Court may deem just and proper.

ANDREW BYERLY BIRGE
Acting United States Attorney

Dated: February 26, 2025



DANIEL T. MCGRAW
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(616) 456-2404

VERIFICATION

I am a Postal Inspector with the United States Postal Inspection Service with personal involvement in this investigation.

I have read the contents of the foregoing Verified Complaint for Forfeiture In Rem, and the statements contained therein are true to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.



Dated: 2/26/2025

MATTHEW MARKOWSKI
Postal Inspector
United States Postal Inspection Service